



FREQUENTLY ASKED QUESTIONS ABOUT THE EFFORT TO REPEAL ARCADIA'S UTILITY USER TAX

► GET THE FACTS

► What is the Utility User Tax (UUT)?

The UUT is a tax on certain residential and commercial utility bills such as gas, water, electricity and telecommunications that has been in place in Arcadia since 1970.

► Where Does UUT Money Go?

UUT revenue goes directly to the City's General Fund to help pay for important local services such as: police and fire protection, the Arcadia Public Library, park and recreation programs, tree trimming, street sweeping and street maintenance, code enforcement, and more.

► How Much Does the UUT Cost Residents Each Year?

On average, Arcadia residents pay approximately \$10 per month, or \$120 per year, for Utility User Taxes.

► What Is the Proposed UUT Repeal?

This is a measure that Arcadia residents will vote on in the April 12, 2016 General Municipal Election. The measure seeks to repeal and eliminate all residential and commercial Utility User Taxes in Arcadia.

► How Would the City of Arcadia Be Affected by the UUT Repeal?

The UUT repeal would cut the City of Arcadia's budget by approximately 12.5%, or \$7 million. This significant cut would result in the loss of important revenue necessary to fund City departments and community services, including police and fire protection, roads, library and recreation programs, code enforcement, and more.

► If the UUT Repeal is Passed by Arcadia Residents, How Would the City of Arcadia Deal With a 12.5% Budget Cut?

The City has identified two potential scenarios that could result if Arcadia voters approve the proposed UUT repeal.

1. Reduce each City department by 12.5%. This would result in up to 129 employee positions affected across all departments, including 29 positions in the Arcadia Police Department and 24 positions in the Arcadia Fire Department.

*This reduction would increase emergency response times and eliminate or reduce the quality of a wide range of public services the City provides. Examples would include closing a Fire Station, elimination of programs for youth or seniors, reduced library hours or closing the library on certain days, or cutting street sweeping in half.

2. Implement prioritized reductions. For most residents, public safety is the highest priority. As such, the City could choose to leave public safety intact, but deeply cut in other areas.

Example: Completely eliminate the Library and Recreation and Community Services Departments, which would result in the loss of 111 City employees, and which would still leave an additional \$520,000 worth of cuts needed from other Departments. While this is an extreme example, it illustrates the significant impact that a 12.5% budget cut would have on City services.

*It's important to note that some City activities that could be cut generate revenue. By cutting the activity, the revenue lost would need to be added to the budget cuts, compounding the losses. These cuts could also potentially impact the City's bond rating, and negatively impact the ability of the City to get credit and apply for grants.

► Have UUTs Been Voted on in Arcadia Before?

Yes. In 2009, the voters of Arcadia approved the continuation of the UUT with 76.5% of the voters supporting the tax.

► When Will the Future of Arcadia's UUT Be Decided?

The UUT Repeal Initiative will be voted on during the General Municipal City Election. This election is an all-mail ballot election and ballots will be mailed around March 15, 2016. Ballots are due to the City on or before April 12, 2016.

► How Can I Learn More About the UUT Repeal Initiative?

For more facts about the UUT Repeal Initiative and its impacts, please see the Elections Code 9212 Impact Report presentation prepared on this topic. To view this presentation, please use the following link: www.arcadiaca.gov/residents/utility-users-tax

